WILLIAM F. WRAITH (SBN 185927) WRAITH LAW 24422 Avenida de la Carlota, Suite 400 2 Laguna Hills, CA 92653 Tel: (949) 452-1234 Fax: (949) 452-1102 3 4 Attorney for Plaintiff ENVIRONMENTAL RESEARCH CENTER, INC. 5 OCT 2 5 2016 MELISSA A. JONES (SBN 205576) 6 CLERK ON THE SURERIOR O BAO M. VU (SBN 277970) 7 STOEL RIVES LLP 500 Capitol Mall, Suite 1600 8 Sacramento, CA 95814 Telephone: (916) 447-0700 9 Facsimile: (916) 447-4781 Email: melissa.jones@stoel.com 10 bao.vu@stoel.com 11 Attorneys for Defendant 12 NUTRIVO, LLC, individually and doing business as RIVALUS and RIVALUS, INC. 13 SUPERIOR COURT OF THE STATE OF CALIFORNIA 14 15 COUNTY OF ALAMEDA 16 ENVIRONMENTAL RESEARCH CASE NO. RG15771826 CENTER, INC. a non-profit California 17 corporation, STIPULATED CONSENT JUDGMENT 18 Plaintiff. Health & Safety Code § 25249.5 et seq. 19 Action Filed: May 27, 2015 20 Trial Date: None set NUTRIVO, LLC, individually and doing 21 business as RIVALUS and RIVALUS, INC. and DOES 1-25, Inclusive, 22 Defendants. 23 24 25 INTRODUCTION 1. On May 27, 2015, Plaintiff Environmental Research Center, Inc. ("ERC"), a 26 1.1 non-profit corporation, as a private enforcer, and in the public interest, initiated this action by 27

CASE NO. RG15771826

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STIPULATED CONSENT JUDGMENT

filing a Complaint for Injunctive Relief and Civil Penalties (the "Complaint") pursuant to the provisions of California Health and Safety Code section 25249.5 et seq. ("Proposition 65"), against NUTRIVO, LLC, individually and doing business as RIVALUS and RIVALUS, INC. and DOES 1-25, Inclusive (collectively "RIVALUS"). In this action, ERC alleges that a number of products manufactured, distributed or sold by RIVALUS contain lead or cadmium, chemicals listed under Proposition 65 as carcinogens and reproductive toxins, and expose consumers to these chemicals at levels requiring a Proposition 65 warning. These products (referred to hereinafter individually as a "Covered Product" or collectively as "Covered Products") are:

- 1) Rivalus Inc. The AP Kit Lead
  - \*\*\*\* (kit contains the below products)
    - a. Rivalus Inc. The AP Kit Alert Clinical Strength
    - b. Rivalus Inc. The AP Kit Pulse Clinical Strength
- 2) Rivalus Inc. (A Nutrivo Company) Enpulse Lead
- 3) Rivalus Inc. (A Nutrivo Company) Shortcutz Lead
- 4) Rivalus (A Nutrivo Company) Last Meal Smooth Vanilla Lead
- 5) Rivalus (A Nutrivo Company) Clean Gainer Chocolate Fudge Cadmium
- 1.2 ERC and RIVALUS are hereinafter referred to individually as a "Party" or collectively as the "Parties."
- 1.3 ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by reducing the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.
- 1.4 Solely for purposes of this Consent Judgment, the Parties agree that RIVALUS is a business entity that qualifies as a "person in the course of business" within the meaning of Proposition 65. RIVALUS manufactures, distributes and sells the Covered Products.
  - 1.5 The Complaint is based on allegations contained in ERC's Notice of Violation

dated February 13, 2015, that was served on the California Attorney General, other public enforcers, and RIVALUS ("Notice"). A true and correct copy of the Notice is attached as Exhibit A and is hereby incorporated by reference. More than 60 days have passed since the Notice was mailed and uploaded to the Attorney General's website, and no designated governmental entity has filed a complaint against RIVALUS with regard to the Covered Products or the alleged violations.

- 1.6 ERC's Notice and Complaint allege that use of the Covered Products exposes persons in California to lead or cadmium without first providing clear and reasonable warnings in violation of California Health and Safety Code section 25249.6. RIVALUS denies all material allegations contained in the Notice and Complaint.
- 1.7 The Parties enter into this Consent Judgment in order to settle, compromise and resolve disputed claims and thus avoid prolonged and costly litigation. Nothing in this Consent Judgment shall constitute or be construed as an admission by any of the Parties, or by any of their respective officers, directors, shareholders, members, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers, suppliers, distributors, wholesalers, or retailers. Nothing in this Consent Judgment shall be construed as an admission by the Parties of any fact, issue of law, or violation of law, nor shall compliance with this Consent Judgment be construed as an admission by the Parties of any fact, issue of law, or violation of law, at any time, for any purpose.
- 1.8 Except as expressly set forth herein, nothing in this Consent Judgment shall prejudice, waive, or impair any right, remedy, argument, or defense the Parties may have in any other or future legal proceeding unrelated to these proceedings.
- 1.9 The Effective Date of this Consent Judgment is the date on which it is entered as a Judgment by this Court.

# 2. JURISDICTION AND VENUE

For purposes of this Consent Judgment and any further court action that may become necessary to enforce this Consent Judgment, the Parties stipulate that this Court has subject matter б

jurisdiction over the allegations of violations contained in the Complaint, personal jurisdiction over RIVALUS as to the acts alleged in the Complaint, that venue is proper in Alameda County, and that this Court has jurisdiction to enter this Consent Judgment as a full and final resolution of all claims up through and including the Effective Date which were or could have been asserted in this action based on the facts alleged in the Notice and Complaint.

# 3. INJUNCTIVE RELIEF, REFORMULATION, TESTING AND WARNINGS

- 3.1 Beginning on the Effective Date, RIVALUS shall be permanently enjoined from manufacturing for sale in the State of California, "Distributing into the State of California", or directly selling in the State of California, any Covered Product which exposes a person to a "Daily Lead Exposure Level" of more than 0.5 micrograms per day of lead or "Daily Cadmium Exposure Level" of more than 4.10 micrograms of cadmium per day when the maximum suggested dose is taken as directed on the Covered Product's label, unless it meets the warning requirements under Section 3.2.
- 3.1.1 As used in this Consent Judgment, the term "Distributing into the State of California" shall mean to directly ship a Covered Product into California for sale in California or to sell a Covered Product to a distributor that RIVALUS knows will sell the Covered Product in California.
- 3.1.2 For purposes of this Consent Judgment, the "Daily Lead Exposure Level" or "Daily Cadmium Exposure Level" shall be measured in micrograms, and shall be calculated using the following formula: micrograms of lead or cadmium per gram of product, multiplied by grams of product per serving of the product (using the largest serving size appearing on the product label), multiplied by servings of the product per day (using the largest number of servings expressly recommended, as appearing on the product label; or, if none expressly appears, than multiplied by 1), which equals micrograms of lead or cadmium exposure per day.

# 3.2 Clear and Reasonable Warnings

If RIVALUS is required to provide a warning pursuant to Section 3.1, the following

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WARNING: This product contains [lead] [cadmium], a chemical known to the State of California to cause [cancer and] birth defects or other reproductive harm.

RIVALUS shall use the phrase "cancer and" in the warning only if the maximum daily dose recommended on the label contains more than 15 micrograms of lead as determined pursuant to the quality control methodology set forth in Section 3.4. The terms lead and/or cadmium shall be utilized in the warning to accurately reflect which chemical is present in the Covered Product.

The warning shall be securely affixed to or printed upon the container or label of each Covered Product. In addition, for Covered Products sold over RIVALUS' website, the warning shall appear prior to completing checkout on RIVALUS' website when a California delivery address is indicated for any purchase of any Covered Product.

The warning shall be at least the same size as the largest of any other health or safety warnings also appearing on its website or on the label or container of RIVALUS' product packaging and the word "WARNING" shall be in all capital letters and in bold print. No Statements about Proposition 65 may directly precede or directly follow the Warning.

RIVALUS must display the above warnings with such conspicuousness, as compared with other words, statements, or design of the label or container, as applicable, to render the warning likely to be read and understood by an ordinary individual under customary conditions of purchase or use of the product.

# 3.3 Reformulated Covered Products

A Reformulated Covered Product is one for which the "Daily Lead Exposure Level" or "Daily Cadmium Exposure Level" when the maximum suggested dose is taken as directed on the Reformulated Covered Product's label, contains no more than 0.5 micrograms of lead per day or no more than 4.10 micrograms of cadmium per day as determined by the quality control methodology described in Section 3.4.

# 3.4 Testing and Quality Control Methodology

3.4.1 Beginning within one year of the Effective Date, RIVALUS shall

arrange for lead or cadmium testing of the Covered Products at least once a year for a minimum of three consecutive years by arranging for testing of five randomly selected samples of each of the Covered Products, in the form intended for sale to the end-user, which RIVALUS intends to sell or is manufacturing for sale in California, directly selling to a consumer in California or "Distributing into California." The testing requirement does not apply to any of the Covered Products for which RIVALUS has provided the warning specified in Section 3.2.

- 3.4.2 For purposes of measuring the "Daily Lead Exposure Level" or "Daily Cadmium Exposure Level", the highest lead or cadmium detection result of the five (5) randomly selected samples of the Covered Products will be controlling.
- 3.4.3 All testing pursuant to this Consent Judgment shall be performed using a laboratory method that complies with the performance and quality control factors appropriate for the method used, including limit of detection, qualification, accuracy, and precision that meets the following criteria: Inductively Coupled Plasma-Mass Spectrometry ("ICP-MS") achieving a limit of quantification of less than or equal to 0.010 mg/kg or any other testing method subsequently agreed to in writing by the Parties.
- 3.4.4 All testing pursuant to this Consent Judgment shall be performed by an independent third party laboratory certified by the California Environmental Laboratory Accreditation Program or an independent third-party laboratory that is registered with the United States Food & Drug Administration.
- 3.4.5 Nothing in this Consent Judgment shall limit RIVALUS' ability to conduct, or require that others conduct, additional testing of the Covered Products, including the raw materials used in their manufacture.

#### 4. SETTLEMENT PAYMENT

4.1 In full satisfaction of all potential civil penalties, payment in lieu of civil penalties, attorney's fees, and costs, RIVALUS shall make a total payment of \$87,500.00 ("Total Settlement Amount") to ERC within 5 days of the Effective Date. RIVALUS shall make this payment by wire transfer to ERC's escrow account, for which ERC will give

RIVALUS the necessary account information. The Total Settlement Amount shall be apportioned as follows:

- 4.2 \$25,996,00 shall be considered a civil penalty pursuant to California Health and Safety Code §25249.7(b)(1). ERC shall remit 75% (\$19,497.00) of the civil penalty to the Office of Environmental Health Hazard Assessment ("OEHHA") for deposit in the Safe Drinking Water and Toxic Enforcement Fund in accordance with California Health and Safety Code §25249.12(c). ERC will retain the remaining 25% (\$6,499.00) of the civil penalty.
- 4.3 \$3,360.00 shall be distributed to ERC as reimbursement to ERC for reasonable costs incurred in bringing this action.
- 4.4 \$25,998.17 shall be distributed to ERC in lieu of further civil penalties, for the day-to-day business activities such as (1) continued enforcement of Proposition 65, which includes work, analyzing, researching and testing consumer products that may contain Proposition 65 chemicals, focusing on the same or similar type of ingestible products that are the subject matter of the current action; (2) the continued monitoring of past consent judgments and settlements to ensure companies are in compliance with Proposition 65; and (3) giving a donation of \$1,300.00 to the Community Science Institute to address reducing toxic chemical exposures in California.
- 4.5 \$14,675.00 shall be distributed to William F. Wraith as reimbursement of ERC's attorney's fees, while \$17,470.83 shall be distributed to ERC for its in-house legal fees.

# 5. ENFORCEMENT OF CONSENT JUDGMENT

No party may apply to the Court to enforce this Consent Judgment, unless that Party has first provided 30 days written notice ("Notice Period") pursuant to Section 12 of this Consent Judgment to the other Party of any alleged violations of this Consent Judgment. Additionally, the Parties agree to meet and confer to resolve any alleged violations of this Consent Judgment during the 30 day notice period, and further agree not to apply to the Court to enforce this Consent Judgment until expiration of the Notice Period.

# 6. MODIFICATION OF CONSENT JUDGMENT

- 6.1 This Consent Judgment may be modified only (i) by written stipulation of the Parties or pursuant to Section 6 and (ii) upon entry by the Court of a modified consent judgment.
- RIVALUS must provide written notice to ERC of its intent ("Notice of Intent"). If ERC seeks to meet and confer regarding the proposed modification in the Notice of Intent, then ERC must provide written notice to RIVALUS within thirty days of receiving the Notice of Intent. If ERC notifies RIVALUS in a timely manner of ERC's intent to meet and confer, then the Parties shall meet and confer in good faith as required in this Section. The Parties shall meet in person or via telephone within thirty (30) days of ERC's notification of its intent to meet and confer. Within thirty days of such meeting, if ERC disputes the proposed modification, ERC shall provide to RIVALUS a written basis for its position. The Parties shall continue to meet and confer for an additional thirty (30) days in an effort to resolve any remaining disputes. Should it become necessary, the Parties may agree in writing to different deadlines for the meet-and-confer period.
- 6.3 In the event that RIVALUS initiates or otherwise requests a modification under Section 6.1, and the meet and confer process leads to a joint motion or application of the Consent Judgment, RIVALUS shall reimburse ERC its costs and reasonable attorney's fees for the time spent in the meet-and-confer process and filing and arguing the motion or application.
- 6.4 Where the meet-and-confer process does not lead to a joint motion or application in support of a modification of the consent judgment, then either party may seek judicial relief on its own. retention of jurisdiction, enforcement of consent

#### 7. JUDGMENT

- 7.1 This Court shall retain jurisdiction of this matter to enforce, modify or terminate this Consent Judgment.
  - 7.2 If ERC alleges that any Covered Product fails to qualify as a Reformulated

Covered Product (for which ERC alleges that no warning has been provided), then ERC shall inform RIVALUS in a reasonably prompt manner of its test results, including information sufficient to permit RIVALUS to identify the Covered Products at issue. RIVALUS shall, within thirty days following such notice, provide ERC with testing information, from an independent third-party laboratory meeting the requirements of Sections 3.4.1 and 3.4.2, demonstrating RIVALUS' compliance with the Consent Judgment, if warranted. The Parties shall first attempt to resolve the matter prior to ERC taking any further legal action.

#### 8. APPLICATION OF CONSENT JUDGMENT

This Consent Judgment may apply to, be binding upon, and benefit the Parties and their respective officers, directors, shareholders, members, employees, agents, parent companies, subsidiaries, divisions, affiliates, franchisees, licensees, customers (excluding private labelers), distributors, wholesalers, retailers, predecessors, successors, and assigns. This Consent Judgment shall have no

application to Covered Products which are distributed or sold exclusively outside the State of California and which are not used by California consumers.

### 9. BINDING EFFECT, CLAIMS COVERED AND RELEASED

9.1 This Consent Judgment is a full, final, and binding resolution between ERC, on behalf of itself and in the public interest, and RIVALUS and its respective officers, directors, shareholders, members, employees, agents, parent companies, subsidiaries, divisions, affiliates, suppliers, franchisees, licensees, customers (not including private label customers of RIVALUS), distributors, wholesalers, retailers, and all other upstream and downstream entities in the distribution chain of any Covered Product, and the predecessors, successors and assigns of any of them (collectively, "Released Parties"), from any and all claims, actions, causes of action, suits, demands, liabilities, damages, penalties, fees, costs and expenses asserted, or that could have been asserted from the handling, use, or consumption of the Covered Products, as to any alleged violation of Proposition 65 or its implementing regulations arising from the failure to provide Proposition 65 warnings on the Covered Products regarding lead or cadmium up to

1.8 1.9

 9.2 ERC on its own behalf only, on one hand, and RIVALUS on its own behalf only, on the other, further waive and release any and all claims they may have against each other for all actions or statements made or undertaken in the course of seeking or opposing enforcement of Proposition 65 in connection with the Notice or Complaint up through and including the Effective Date, provided, however, that nothing in Section 8 shall affect or limit any Party's right to seek to enforce the terms of this Consent Judgment.

9.3 It is possible that other claims not known to the Parties arisingout of the facts alleged in the Notice or the Complaint and relating to the Covered Products will develop or be discovered. ERC on behalf of itself only, on one hand, and RIVALUS, on the other hand, acknowledge that this Consent Judgment is expressly intended to cover and include all such claims up through the Effective Date, including all rights of action therefore. ERC and RIVALUS acknowledge that the claims released in Sections 8.1 and 8.2 above may include unknown claims, and nevertheless waive California Civil Code section 1542 as to any such unknown claims. California Civil Code section 1542 reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

ERC on behalf of itself only, on the one hand, and RIVALUS, on the other hand, acknowledge and understand the significance and consequences of this specific waiver of California Civil Code section 1542. Furthermore, ERC expressly agrees that any RIVALUS products purchased or being investigated, as of the date of this Consent Judgment, by ERC, or its officers, directors, shareholders, members, employees, agents, parent companies, subsidiaries, divisions, and affiliates, shall fall within the scope of this release, and ERC therefore agrees that any Proposition 65 claims relating to such products shall be barred by the release in this Section. This Section in no way prevents ERC from enforcing the terms of this Consent Judgment.

9.4 Compliance with the terms of this Consent Judgment shall be deemed to constitute compliance with Proposition 65 by any releasee regarding alleged exposures to lead or cadmium in the Covered Products as set forth in the Notice and the Complaint.

9.5 Nothing in this Consent Judgment is intended to apply to any occupational or environmental exposures arising under Proposition 65, nor shall it apply to any of RIVALUS' products other than the Covered Products.

# SEVERABILITY OF UNENFORCEABLE PROVISIONS

In the event that any of the provisions of this Consent Judgment are held by a court to be unenforceable, the validity of the remaining enforceable provisions shall not be adversely affected.

#### 11. GOVERNING LAW

The terms and conditions of this Consent Judgment shall be governed by and construed in accordance with the laws of the State of California.

#### 12. PROVISION OF NOTICE

All notices required to be given to either Party to this Consent Judgment by the other shall be in writing and sent to the following agents listed below via first-class mail. Courtesy copies via email may also be sent.

## FOR ENVIRONMENTAL RESEARCH CENTER, INC.:

Chris Heptinstall, Executive Director, Environmental Research Center 3111 Camino Del Rio North, Suite 400

San Diego, CA 92108

Tel: (619) 500-3090

Email: chris\_erc501c3@yahoo.com

With a copy to:

WILLIAM F. WRAITH

WRAITH LAW

24422 Avenida de la Carlota, Suite 400

Laguna Hills, CA 92653 Tel: (949) 452-1234

Fax: (949) 452-1102

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1 NUTRIVO, LLC, individually and doing business as RIVALUS and RIVALUS, INC. 2 Lon Messenger 3 Nutrivo, LLC 1785 N. Edgelawn Drive 4 Aurora, IL 60506 5 With a copy to: б MELISSA A. JONES 7 BAOM. VU STOEL RIVES LLP 500 Capitol Mall, Suite 1600 Sacramento, CA 95814 Telephone: (916) 447-0700 Facsimile: (916) 447-4781 10 Email: melissa.jones@stoel.com 11 bao.vu@stoel.com 12 13. COURT APPROVAL 13 13.1 Upon execution of this Consent Judgment by the Parties, ERC shall notice a 14 Motion for Court Approval. The Parties shall use their best efforts to support entry of this 15 Consent Judgment. 16 13.2 If the California Attorney General objects to any term in this Consent Judgment, 17 the Parties shall use their best efforts to resolve the concern in a timely manner, and if possible 18 prior to the hearing on the motion. 19 13.3 If this Stipulated Consent Judgment is not approved by the Court, it shall be 20 void and have no force or effect. 21 14. EXECUTION AND COUNTERPARTS 22 This Consent Judgment may be executed in counterparts, which taken together shall be 23 deemed to constitute one document. A facsimile or .pdf signature shall be construed as valid as 24 the original signature. 25 15. DRAFTING 26 The terms of this Consent Judgment have been reviewed by the respective counsel for each 27 Party prior to its signing, and each Party has had an opportunity to fully discuss the terms and 28 CASE NO. RG15771826 STIPULATED CONSENT JUDGMENT

conditions with legal counsel. The Parties agree that, in any subsequent interpretation and construction of this Consent Judgment, no inference, assumption, or presumption shall be drawn, and no provision of this Consent Judgment shall be construed against any Party, based on the fact that one of the Parties and/or one of the Parties' legal counsel prepared and/or drafted all or any portion of the Consent Judgment. It is conclusively presumed that all of the Parties participated equally in the preparation and drafting of this Consent Judgment.

# 16. GOOD FAITH ATTEMPT TO RESOLVE DISPUTES

If a dispute arises with respect to either Party's compliance with the terms of this Consent Judgment entered by the Court, the Parties shall meet in person or by telephone and endeavor to resolve the dispute in an amicable manner. No action or motion may be filed in the absence of such a good faith attempt to resolve the dispute beforehand. In the event an action or motion is filed, however, the prevailing party may seek to recover costs and reasonable attorney's fees. As used in the preceding sentence, the term "prevailing party" means a party who is successful in obtaining relief more favorable to it than the relief that the other party was amenable to providing during the Parties' good faith attempt to resolve the dispute that is the subject of such enforcement action.

## 17. ENTIRE AGREEMENT, AUTHORIZATION

17.1 This Consent Judgment contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter herein, and any and all prior discussions, negotiations, commitments and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party. No other agreements, oral or otherwise, unless specifically referred to herein, shall be deemed to exist or to bind any Party.

17.2 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the Party he or she represents to stipulate to this Consent Judgment. Except as explicitly provided herein, each Party shall bear its own fees and costs.

# 18. REQUEST FOR FINDINGS, APPROVAL OF SETTLEMENT AND ENTRY OF CONSENT JUDGMENT

This Consent Judgment has come before the Court upon the request of the Parties. The Parties request the Court to fully review this Consent Judgment and, being fully informed regarding the matters which are the subject of this action, to:

- (1) Find that the terms and provisions of this Consent Judgment represent a fair and equitable settlement of all matters raised by the allegations of the Complaint, that the matter has been diligently prosecuted, and that the public interest is served by such settlement; and
- (2) Make the findings pursuant to California Health and Safety Code section 25249.7(f)(4), approve the Settlement, and approve this Consent Judgment.

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Dated: 7/19/, 2016

Dated: 7/20, 2016

ENVIRONMENTAL RESEARCH

Chais Reptinistral Acculive Director

NUTRIVO, LLC, individually and doing business as RIVALUS and RIVALUS, INC.

BY: LON MESSENTER

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1	APPROVED A	S TO FORM:	•			
2	Dated:	, 2016	WRAITH LAW			
3			Ву:			
4			William F. Wraith Attorney for Plaintiff Environmental			
5		05	Research Center, Inc.			
6	Dated: JULY	, 2016	STOEL RIVES LLP			
7	J		10/1			
8			By: Melissa A. Jones			
9			Beo M. Vu Attorneys for Defendant Nutrivo, LLC,			
10	·		individually and doing business as Rivalus and Rivalus, Inc.			
11						
12		ORD	ER AND JUDGMENT			
13	Based upon the Parties' Stipulation, and good cause appearing, this Consent Judgment is					
14	approved and Judgment is hereby entered according to its terms.					
15	IT IS SO ORDE	RED, ADJUDGED AI	ND DECREED.			
16	Dated:	, 2016				
17	Dated.		Judge of the Superior Court			
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	STIPULATED CON	SENT HIDGMENT	CASE NO. RG15771826			

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1	APPROVED AS TO FORM:		
2	Dated: 7/2/ 2016 WRAITH LAW		
3	By: Males Tilles		
4	William F. Wraith Attorney for Plaintiff Environmental		
5	Research Center, Inc.		
6	Dated:, 2016 STOEL RIVES LLP		
7			
8	By: Melissa A. Jones		
9	Bao M. Vu Attorneys for Defendant Nutrivo, LLC,		
10	individually and doing business as Rivalus and Rivalus, Inc.		
11			
12	ORDER AND JUDGMENT		
13	Based upon the Parties' Stipulation, and good cause appearing, this Consent Judgment is		
14	approved and Judgment is hereby entered according to its terms.		
15	IT IS SO ORDERED, ADJUDGED AND DECREED.		
16	Jan 10/05 mil		
17	Dated:, 2016		
18	GEORGE C. HERNANDEZ, JR.	-	
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28	STIPLILATED CONSENT HIDGMENT CASE NO. RG15771826		

## **WRAITH LAW**

24422 AVENIDA DE LA CARLOTA SUITE 400 LAGUNA HILLS, CA 92653 Tel (949) 452-1234 Fax (949) 452-1102

February 13, 2015

## NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE SECTION 25249.5 ET SEQ. (PROPOSITION 65)

Dear Alleged Violators and the Appropriate Public Enforcement Agencies:

I represent Environmental Research Center, Inc. ("ERC"), 3111 Camino Del Rio North, Suite 400, San Diego, CA 92108; Tel. (619) 500-3090. ERC's Executive Director is Chris Heptinstall. ERC is a California non-profit corporation dedicated to, among other causes, helping safeguard the public from health hazards by bringing about a reduction in the use and misuse of hazardous and toxic chemicals, facilitating a safe environment for consumers and employees, and encouraging corporate responsibility.

ERC has identified violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), which is codified at California Health & Safety Code §25249.5 et seq., with respect to the products identified below. These violations have occurred and continue to occur because the alleged Violators identified below failed to provide required clear and reasonable warnings with these products. This letter serves as a notice of these violations to the alleged Violators and the appropriate public enforcement agencies. Pursuant to Section 25249.7(d) of the statute, ERC intends to file a private enforcement action in the public interest 60 days after effective service of this notice unless the public enforcement agencies have commenced and are diligently prosecuting an action to rectify these violations.

General Information about Proposition 65. A copy of a summary of Proposition 65, prepared by the Office of Environmental Health Hazard Assessment, is attached with the copy of this letter served to the alleged Violators identified below.

<u>Alleged Violators</u>. The names of the companies covered by this notice that violated Proposition 65 (hereinafter the "Violators") are:

Nutrivo, LLC, individually and doing business as Rivalus Rivalus Inc.

<u>Consumer Products and Listed Chemicals</u>. The products that are the subject of this notice and the chemicals in those products identified as exceeding allowable levels are:

- 1. Rivalus Inc. The AP Kit Lead
  - \*\*\*\* (kit contains the below products)
  - a. Rivalus Inc. The AP Kit Alert Clinical Strength
  - b. Rivalus Inc. The AP Kit Pulse Clinical Strength
- 2. Rivalus Inc. (A Nutrivo Company) Enpulse-Lead
- 3. Rivalus Inc. (A Nutrivo Company) Shortcutz Lead
- 4. Rivalus (A Nutrivo Company) Last Meal Smooth Vanilla Lead
- 5. Rivalus (A Nutrivo Company) Clean Gainer Chocolate Fudge- Cadmium

Notice of Violations of California Health & Safety Code §25249.5 et seq. February 13, 2015 Page 2

On February 27, 1987, the State of California officially listed lead as a chemical known to cause developmental toxicity, and male and female reproductive toxicity. On October 1, 1992, the State of California officially listed lead and lead compounds as chemicals known to cause cancer. Cadmium was officially listed as a chemical known to cause developmental toxicity and male reproductive toxicity on May 1, 1997 while Cadmium and Cadmium Compounds were listed as chemicals known to the State of California to cause cancer on October 1, 1987.

It should be noted that ERC may continue to investigate other products that may reveal further violations and result in subsequent notices of violations.

Route of Exposure. The consumer exposures that are the subject of this notice result from the purchase, acquisition, handling and recommended use of these products. Consequently, the primary route of exposure to these chemicals has been and continues to be through ingestion, but may have also occurred and may continue to occur through inhalation and/or dermal contact.

Approximate Time Period of Violations. Ongoing violations have occurred every day since at least February 13, 2012, as well as every day since the products were introduced into the California marketplace, and will continue every day until clear and reasonable warnings are provided to product purchasers and users or until these known toxic chemicals are either removed from or reduced to allowable levels in the products. Proposition 65 requires that a clear and reasonable warning be provided prior to exposure to the identified chemicals. The method of warning should be a warning that appears on the product label. The Violators violated Proposition 65 because they failed to provide persons handling and/or using these products with appropriate warnings that they are being exposed to these chemicals.

Consistent with the public interest goals of Proposition 65 and a desire to have these ongoing violations of California law quickly rectified, ERC is interested in seeking a constructive resolution of this matter that includes an enforceable written agreement by the Violators to: (1) reformulate the identified products so as to eliminate further exposures to the identified chemicals, or provide appropriate warnings on the labels of these products; (2) pay an appropriate civil penalty; and (3) provide clear and reasonable warnings compliant with Proposition 65 to all persons located in California who purchased the above products in the last three years. Such a resolution will prevent further unwarned consumer exposures to the identified chemicals, as well as an expensive and time consuming litigation.

ERC has retained me as legal counsel in connection with this matter. Please direct all communications regarding this Notice of Violations to my attention at the law office address and telephone number indicated on the letterhead.

Sincerely,

William Falaith

William F. Wraith

Attachments

Certificate of Merit Certificate of Service

OEHHA Summary (to Nutrivo, LLC, individually and doing business as Rivalus, Rivalus Inc., and each Registered Agent for Service of Process only)

Additional Supporting Information for Certificate of Merit (to AG only)

Notice of Violations of California Health & Safety Code §25249.5 et seq. February 13, 2015 Page 3

#### **CERTIFICATE OF MERIT**

Re: Environmental Research Center, Inc.'s Notice of Proposition 65 Violations by Nutrivo, LLC, individually and doing business as Rivalus, and Rivalus Inc.

#### I, William F. Wraith, declare:

- 1. This Certificate of Merit accompanies the attached 60-day notice in which it is alleged the parties identified in the notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
  - 2. I am an attorney for the noticing party.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemicals that are the subject of the notice.
- 4. Based on the information obtained through those consultants, and on other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged Violators will be able to establish any of the affirmative defenses set forth in the statute.
- 5. Along with the copy of this Certificate of Merit served on the Attorney General is attached additional factual information sufficient to establish the basis for this certificate, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Dated: February 13, 2015

William F Wraith

Notice of Violations of California Health & Safety Code §25249.5 et seq. February 13, 2015
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#### **CERTIFICATE OF SERVICE**

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States, over the age of 18 years of age, and am not a party to the within entitled action. My business address is 306 Joy Street, Fort Oglethorpe, Georgia 30742. I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail at Fort Oglethorpe, Georgia.

On February 13, 2015, I served the following documents: NOTICE OF VIOLATIONS OF CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; "THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY" on the following parties by placing a true and correct copy thereof in a sealed envelope, addressed to the party listed below and depositing it at a U.S. Postal Service Office with the postage fully prepaid for delivery by Certified Mail:

Current President or CEO Nutrivo, LLC, individually and doing business as Rivalus 1785 North Edgelawn Drive Aurora, IL 60506

Current President or CEO Rivalus Inc. 1785 North Edgelawn Drive Aurora, IL 60506

Current President or CEO Rivalus Inc. 1083 Queen Street, Suite 189 Halifax, Nova Scotia BCH 0B2 Canada Kenneth Clingen (Registered Agent for Nutrivo, LLC, individually and doing business as Rivalus) 2100 Manchester Road, Suite 1750 Wheaton, IL 60187

The Corporation Trust Company (Registered Agent for Nutrivo, LLC, individually and doing business as Rivalus) 1209 Orange Street Wilmington, DE 19801

On February 13, 2015, I electronically served the following documents: NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT; ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE §25249.7(d)(1) on the following party by uploading a true and correct copy thereof on the California Attorney General's website, which can be accessed at https://oag.ca.gov/prop65/add-60-day-notice:

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 Oakland, CA 94612-0550

On February 13, 2015, I served the following documents: NOTICE OF VIOLATIONS, CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; CERTIFICATE OF MERIT on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope, addressed to each of the parties on the Service List attached hereto, and depositing it at a U.S. Postal Service Office with the postage fully prepaid for delivery by Priority Mail.

Executed on February 13, 2015, in Fort Oglethorpe, Georgia.

Tiffany Capehart

Notice of Violations of California Health & Safety Code §25249.5 et seq. February 13, 2015

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#### Service List

District Attorney, Alameda County
1225 Fallon Street, Suite 900
Oakland, CA 94612

District Attorney, Alpine County P.O. Box 248 Markleeville, CA 96120

District Attorney, Amador County 708 Court Street Jackson, CA 95642

District Attorney, Butte County 25 County Center Drive, Suite 245 Oroville, CA 95965

District Attorney, Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249

District Attorney, Colusa County 346 Fifth Street Suite 101 Colusa, CA 95932

District Attorney, Contra Costa County 900 Ward Street Martinez, CA 94553

District Attorney, Del Norte County 450 H Street, Room 171 Crescent City, CA 95531

District Attorney, El Dorado County 515 Main Street Placerville, CA 95667

District Attorney, Fresno County 2220 Tulare Street, Suite 1000 Fresno, CA 93721

District Attorney, Glenn County Post Office Box 430 Willows, CA 95988

District Attorney, Humboldt County 825 5th Street 4th Floor Eureka, CA 95501

District Attorney, Imperial County 940 West Main Street, Ste 102 El Centro, CA 92243

District Attorney, Inyo County 230 W. Line Street Bishop, CA 93514

District Attorney, Kern County 1215 Truxtun Avenue Bakersfield, CA 93301

District Attorney, Kings County 1400 West Lacey Boulevard Hanford, CA 93230

District Attorney, Lake County 255 N. Forbes Street Lakeport, CA 95453

District Attorney, Lassen County 220 South Lassen Street, Ste. 8 Susanville, CA 96130 District Attorney, Los Angeles County 210 West Temple Street, Suite 18000 Los Angeles, CA 90012

District Attorney, Madera County 209 West Yosemite Avenue Madera, CA 93637

District Attorney, Marin County 3501 Civic Center Drive, Room 130 San Rafael, CA 94903

District Attorney, Mariposa County Post Office Box 730 Mariposa, CA 95338

District Attorney, Mendocino County Post Office Box 1000 Ukiah, CA 95482

District Attorney, Merced County 550 W. Main Street Merced, CA 95340

District Attorney, Modoc County 204 S Court Street, Room 202 Alturas, CA 96101-4020

District Attorney, Mono County Post Office Box 617 Bridgeport, CA 93517

District Attorney, Monterey County Post Office Box 1131 Salinas, CA 93902

District Attorney, Napa County Post Office Box 720 Napa, CA 94559

District Attorney, Nevada County 201 Commercial Street Nevada City, CA 95959

District Attorney, Orange County 401 West Civic Center Drive Santa Ana, CA 92701

District Attorney, Placer County 10810 Justice Center Drive, Ste 240 Roseville, CA 95678

District Attorney, Plumas County 520 Main Street, Room 404 Quincy, CA 95971

District Attorney, Riverside County 3960 Orange Street Riverside, CA 92501

District Attorney, Sacramento County 901 "G" Street Sacramento, CA 95814

District Attorney, San Benito County 419 Fourth Street, 2<sup>od</sup> Floor Hollister, CA 95023

District Attorney, San Bernardino County 316 N. Mountain View Avenue San Bernardino, CA 92415-0004 District Attorney, San Diego County 330 West Broadway, Suite 1300 San Diego, CA 92101

District Attorney, San Francisco County 850 Bryant Street, Suite 322 San Francsico, CA 94103

District Attorney, San Joaquin County 222 E. Weber Ave. Rm. 202 Stockton, CA 95202

District Attorney, San Luis Obispo County 1035 Palm St, Room 450 San Luis Obispo, CA 93408

District Attorney, San Mateo County 400 County Ctr., 3<sup>rd</sup> Floor Redwood City, CA 94063

District Attorney, Santa Barbara County 1112 Santa Barbara Street Santa Barbara, CA 93101

District Attorney, Santa Clara County 70 West Hedding Street San Jose, CA 95110

District Attorney, Santa Cruz County 701 Ocean Street, Room 200 Santa Cruz, CA 95060

District Attorney, Shasta County 1355 West Street Redding, CA 96001

District Attorney, Sierra County PO Box 457 Downieville, CA 95936

District Attorney, Siskiyou County Post Office Box 986 Yreka, CA 96097

District Attorney, Solano County 675 Texas Street, Ste 4500 Fairfield, CA 94533

District Attorney, Sonoma County 600 Administration Drive, Room 212J Santa Rosa, CA 95403

District Attorney, Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95354

District Attorney, Sutter County 446 Second Street Yuba City, CA 95991

District Attorney, Tehama County Post Office Box 519 Red Bluff, CA 96080

District Attorney, Trinity County Post Office Box 310 Weaverville, CA 96093

District Attorney, Tulare County 221 S. Mooney Blvd., Room 224 Visalia, CA 93291 District Attorney, Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney, Ventura County 800 South Victoria Ave, Suite 314 Ventura, CA 93009

District Attorney, Yolo County 301 2<sup>nd</sup> Street Woodland, CA 95695

District Attorney, Yuba County 215 Fifth Street, Suite 152 Marysville, CA 95901

Los Angeles City Attorney's Office City Hall East 200 N. Main Street, Suite 800 Los Angeles, CA 90012

San Diego City Attorney's Office 1200 3rd Avenue, Ste 1620 San Diego, CA 92101

San Francisco, City Attorney City Hall, Room 234 1 Dr Carlton B Goodlett PL San Francisco, CA 94102

San Jose City Attorney's Office 200 East Santa Clara Street, 16th Floor San Jose, CA 95113